

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 21-H: Medical Equipment Devices and Supplies (MEDS) - HIPAA Compliance Fee Schedule Update for Durable Medical Equipment (DME) and Reduced Rates for Orthotic Braces

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

Changes to Medicaid State Plan

Effective on or after February 1, 2021, SPA 21-H will amend Attachment 4.19-B of the Medicaid State Plan in order to make the changes described below. First, this SPA will revise the Durable Medical Equipment (DME) fee schedule to incorporate the 2021 Healthcare Common Procedural Coding System (HCPCS) changes (additions, deletions and description changes). DSS is making these changes to ensure that this fee schedule remains compliant with the Health Insurance Portability and Accountability Act (HIPAA). Codes that are being added are being priced using a comparable methodology to other codes in the same or similar category. Specifically, DSS will add the following procedure codes to the Durable Medical Equipment fee schedule K1010, K1011 and K1012. For newly added codes that are replacing codes that are being deleted, they are being priced in a manner that is comparable to the methodology for existing codes and in a manner that is designed to be as cost-neutral as possible to the previous overall payment methodology.

In addition, DSS will decrease reimbursement rates to several orthotic braces found on the Orthotics and Prosthetics (O & P) Fee Schedule in order to ensure that those rates remain at or below the Medicare payment rate, which is necessary to update in accordance with the current methodology and regulations to avoid paying above Medicare for these services because Medicare is adding certain O & P braces under the competitive bidding program, which has resulted in Medicare paying lower rates for those codes.

The Connecticut Medicaid orthotic and prosthetic payment rates are based off of Medicare's rates, including the fee schedule or competitive bid rates, as applicable, whichever is lower. Therefore, the Medicaid reimbursement for the items affected will be decreased in order to comply with section 17b-262-743 (Orthotic and Prosthetic Devices [O & P]) of the Regulations of Connecticut State Agencies. Specifically, this SPA changes the fees for applicable O&P services to the current Medicaid rate or 100% of the applicable Medicare fee (incorporating the Medicare Competitive Bid Program's lowest single payment amount), whichever is lower.

Below is a list of the following orthotics procedure codes impacted:

Code	Code Description	Medicaid	
		Current	New
L0450	TLSO, FLEXIBLE, PROVIDES TRUNK SUPPORT	\$146.92	\$124.23
L0621	SACROILIAC ORTHOSIS, FLEXIBLE, PROVIDES PELVIC-SACRAL	\$68.78	\$65.50

	SUPPORT		
L0625	LUMBAR ORTHOSIS, FLEXIBLE, PROVIDES LUMBAR SUPPORT	\$39.26	\$36.64
L0628	LUMBAR-SACRAL ORTHOSIS, FLEXIBLE, PROVIDES LUMBO-SACRAL SUPPORT	\$59.79	\$55.79
L0641	LUMBAR ORTHOSIS, SAGITTAL CONTROL	\$55.56	\$51.84
L0643	LUMBAR-SACRAL ORTHOSIS, SAGITTAL CONTROL	\$115.43	\$107.71
L0649	LUMBAR-SACRAL ORTHOSIS, SAGITTAL-CORONAL CONTROL	\$204.39	\$190.72

Fee schedules are published at this link: <http://www.ctdssmap.com>, then select “Provider”, then select “Provider Fee Schedule Download”, then Accept or Decline the Terms and Conditions and then select the applicable fee schedule.

Fiscal Impact

DSS estimates that the HIPAA compliance update to the DME fee schedule will increase annual aggregate expenditures by approximately \$300 in State Fiscal Year (SFY) 2021 and \$1,000 in SFY 2022.

DSS estimates that the update to the O&P fee schedule to incorporate the lower Medicare rates that have been added to Medicare’s Competitive Bidding Program will reduce annual aggregate expenditures by approximately \$900 in State Fiscal Year (SFY) 2021 and \$2,700 in SFY 2022.

Compliance with Federal Access Regulations

In accordance with federal regulations at 42 C.F.R. §§ 447.203 and 447.204, DSS is required to ensure that there is sufficient access to Medicaid services, including services where payment rates are proposed to be reduced or where payment rates or methodologies are being restructured in a manner that may affect access to services. As described above, this SPA is making changes in order to maintain the methodology that O&P services cannot be paid higher than Medicare’s rates, which are changing because Medicare recently added certain O&P services to the Medicare competitive bid program and which has resulted in lower Medicare payment rates than those found on the Medicare fee schedule.

Those federal regulations also require DSS to have ongoing mechanisms for Medicaid members, providers, other stakeholders, and the public to provide DSS with feedback about access. In addition to other available procedures, anyone may send DSS comments about the potential impact of this SPA on access to O & P services as part of the public comment process for this SPA. Contact information and the deadline for submitting public comments are listed below.

Obtaining SPA Language and Submitting Comments

The proposed SPA is posted on the DSS website at this link: <http://portal.ct.gov/dss>. Scroll down to the bottom of the webpage and click on “Publications” and then click on “Updates.” Then click on

“Medicaid State Plan Amendments”. The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: Public.Comment.DSS@ct.gov or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference “SPA 21-H: MEDS - HIPAA Compliance Fee Schedule Update for DME and Reduced Rates for Orthotic Braces.”

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than January 28, 2021.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State Connecticut

(7) Home Health Services –

(a) Intermittent or part-time nursing services provided by a home health agency or by a registered nurse when no home health agency exists in the area are provided with limitations.

(b) Home health aide services provided by a home health agency with limitations.

(c) Physical therapy, occupational therapy, or speech pathology and audiology services provided by a home health agency or medical rehabilitation facility are provided with limitations.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of home health services provided by a home health agency listed above in (a), (b), and (c). The agency's fee schedule rates were set as of November 1, 2020 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule.

(d) Medical supplies, equipment and appliances suitable for use in the home – Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Medical supplies, equipment and appliances suitable for use in the home. The agency's fee schedule rates were set as of ~~September 1, 2020~~ February 1, 2021 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download." Over-the-counter products provided by pharmacies are reimbursed at Average Wholesale Price (AWP). The temporary rate increase for non-sterile gloves is effective September 1, 2020 and expires 90 days after the end of the Coronavirus Disease 2019 (COVID-19) federal public health emergency declaration, as extended. After such date, the rate for non-sterile gloves reverts to the rate in effect immediately prior to September 1, 2020.

(8) Private duty nursing services – Not provided.

TN # 21-H
Supersedes
TN # 20-0024

Approval Date _____

Effective Date 02/01/2021